

Message Text

UNCLASSIFIED

PAGE 01 VANCOU 00596 01 OF 02 082330Z

ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 AGRE-00 CEA-01 CIAE-00
DODE-00 EB-08 FRB-01 H-02 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-02 CTME-00 AID-05 SS-15
STR-07 ITC-01 TRSE-00 ICA-20 SP-02 SOE-02 OMB-01
DOE-15 /122 W

-----046233 090017Z /73

P 082240Z MAY 78

FM AMCONSUL VANCOUVER

TO SECSTATE WASHDC PRIORITY 4224

INFO AMEMBASSY OTTAWA

UNCLAS SECTION 01 OF 02 VANCOUVER 0596

E.O. 11652: N/A

TAGS: ETRD, CA

SUBJECT: MTN-- PROPOSED GOVERNMENT PROCUREMENT CODE

REF: A. STATE 102061 (NOTAL)

B. VANCOUVER 562 (NOTAL)

C. 77 VANCOUVER 588

D. 77 VANCOUVER 597

1. BRITISH COLUMBIA PROVINCIAL GOVERNMENT HAS TWO SPECIFIC PROCUREMENT POLICIES WHICH AFFECT U.S. EXPORTS. FIRST, THERE IS A PERCENTAGE PREFERENCE GIVEN TO PRODUCTS AND SERVICES OF B.C. OR CANADIAN ORIGIN (REF C). A TEN PERCENT PREFERENCE IS GIVEN TO PRODUCTS OF B.C. ORIGIN BASED ON THE B.C. VALUE ADDED, AND A FIVE PERCENT PREFERENCE ON GOODS PRODUCED ELSEWHERE IN CANADA, AGAIN ON THE CANADIAN VALUE ADDED. THE IMPACT OF THE PREFERENCE IS UNCLEAR AND THERE APPEARS TO BE SOME RESISTANCE TO IT ON THE PART OF CROWN (GOVERNMENT) CORPORATIONS.

2. THE SECOND POLICY IS THE PREFERENCE GIVEN TO B.C. WINES OVER FOREIGN WINES. THE B.C. LIQUOR DISTRIBUTION BRANCH (LDB), WHICH CONTROLS ALL LIQUOR SALES IN THE PROVINCE, MARKS UP FOREIGN WINES
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VANCOU 00596 01 OF 02 082330Z

34 PERCENT OVER DOMESTIC WINES. ALSO, THROUGH A RESTRICTIVE LISTING POLICY, THE LDB LIMITS THE ACTUAL NUMBER OF FOREIGN WINES ACCEPTED FOR SALE. IN ADDITION, NO GENERIC CALIFORNIA WINES ARE ACCEPTED FOR LISTING, ONLY VARIETAL TYPES (SEE REF B). THIS RESTRICTION DOES NOT APPLY TO OTHER COUNTRIES, FROM WHICH GENERIC-TYPE WINES CONTINUE TO BE LISTED AND SOLD.

3. THE MOST IMPORTANT B.C. PROVINCIAL GOVERNMENT PURCHASING ENTITIES, INCLUDING CROWN CORPORATIONS, ARE AS FOLLOWS (ALL FIGURES IN CANADIAN DOLLARS):

A. B.C. HYDRO AND POWER AUTHORITY. CAPITAL EXPENDITURES DURING PERIOD 4/-/76 -- 3/31/77 WERE DOLS 605 MILLION, OF WHICH ELECTRICAL GENERATION, TRANSMISSION, TRANSFORMATION AND DISTRIBUTION EQUIPMENT PURCHASES AMOUNTED TO DOLS 557.1 MILLION.

B. BRITISH COLUMBIA LIQUOR DISTRIBUTION BRANCH (SEE PARA 1). TOTAL PURCHASES OF MERCHANDISE FOR SALE FROM 3/76 TO 3/77 WERE DOLS 259 MILLION. DURING CY 1977, IMPORTS FROM THE U.S. WERE AS FOLLOWS:

ALE, LAGER, PORTER AND STOUT: DOLS 1 MILLION
WINES: DOLS500,000
OTHER ALCOHOLIC BEVERAGES: DOLS1.5 MILLION

C. BRITISH COLUMBIA RAILWAY. PURCHASES IN 1974 WERE DOLS 38 MILLION. CAPITAL EXPENDITURE DURING THE FIVE YEARS TO 1/2/76 WERE DOLS 348.2 MILLION. PURCHASES TYPICALLY INCLUDED ROLLING STOCK, REPLACEMENT PARTS, TRACKS AND TIES, SHOP MACHINERY, COMMUNICATIONS EQUIPMENT AND OFFICE SUPPLIES.

D. UNIVERSITY OF BRITISH COLUMBIA. PURCHASES FOR 1974 WERE DOLS 30 MILLION.
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 VANCOU 00596 01 OF 02 082330Z

E. BRITISH COLUMBIA FERRY CORPORATION. MATERIALS PURCHASES ARE APPROXIMATELY DOLS 40 MILLION, OF WHICH ABOUT DOLS 5-6 MILLION IS FOR MAINTENANCE SUPPLIES AND THE REMAINDER FOR FUEL, FOOD AND DOCK MAINTENANCE. FIGURES DO NOT INCLUDE VESSEL MODIFICATION AND PURCHASE WHICH FLUCTUATE WIDELY.

F. PROVINCIAL HOSPITALS. PURCHASES BY THE 21 PROVINCIAL HOSPITALS WERE DOLS 51.7 MILLION IN 1975. SOME OF THE PURCHASING IS DONE INDIVIDUALLY AND SOME THROUGH THE B.C. HOSPITAL ASSOCIATION.

G. OCEAN FALLS CORPORATION. DOLS 12 MILLION IN PURCHASES IN 1975 WERE MAINLY CHEMICALS, BUT ALSO OTHER PULP MILL EQUIPMENT AND SUPPLIES. OWNED BY B.C. CELLULOSE, A CROWN CORPORATION.

H. UNIVERSITY OF VICTORIA. PURCHASES A WIDE ARRAY OF EDUCATIONAL SUPPLIES AND SCIENTIFIC INSTRUMENTATION, AMOUNTING TO DOLS 4.5 MILLION IN 1975.

I. INSURANCE CORPORATION OF B.C. IN 1975, IT PURCHASED DOLS 3 MILLION OF OFFICE SUPPLIES.

J. SIMON FRASER UNIVERSITY. ABOUT DOLS 2.5 MILLION SPENT ON EDUCATIONAL SUPPLIES AND SCIENTIFIC INSTRUMENTATION.

K. B.C. SYSTEMS CORPORATION. A NEW CROWN CORPORATION SET UP TO HANDLE ALL PROVINCIAL GOVERNMENT COMPUTER FACILITIES. INITIAL BEDGET ESTIMATES HAVE YET TO BE APPROVED; THEREFORE NO PURCHASING DATA AVAILABLE.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 VANCOU 00596 02 OF 02 082333Z
ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 AGRE-00 CEA-01 CIAE-00
DODE-00 EB-08 FRB-01 H-02 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-02 CTME-00 AID-05 SS-15
STR-07 ITC-01 TRSE-00 ICA-20 SP-02 SOE-02 OMB-01
DOE-15 /122 W
-----046243 090017Z /73

P 082240Z MAY 78
FM AMCONSUL VANCOUVER
TO SECSTATE WASHDC PRIORITY 4225
INFO AMEMBASSY OTTAWA

UNCLAS SECTION 02 OF 02 VANCOUVER 0596

L. PLATEAU MILLS. OWNED BY THE B.C. RESOURCE INVESTMENT CORPORATION, A CROWN CORPORATION. PURCHASING FIGURES NOT AVAILABLE.

M. KOOTENAY FOREST PRODUCTS. ALSO OWNED BY THE B.C. RESOURCE INVESTMENT CORPORATION AND PURCHASING FIGURES UNAVAILABLE.

N. B.C. PURCHASING COMMISSION. A PROVINCIAL GOVERNMENT AGENCY HANDLING GENERAL PURCHASING OF SUPPLIES AND EQUIPMENT FOR PROVINCIAL MINISTRIES AND INSTITUTIONS, OTHER THAN CROWN CORPORATIONS. TOTAL PURCHASING DURING 1977 AMOUNTED TO DOLS 140 MILLION.

4. CONGEN BELIEVES THAT GREATEST SINGLE IMPACT ON U.S. EXPORTS TO B.C. WOULD BE ACHIEVED THROUGH CHANGE IN ARBITRARY RESTRICTIONS ON LISTINGS OF U.S. WINES AND OTHER SPIRITS BY THE B.C. LIQUOR DISTRIBUTION BRANCH. PRESENT U.S. SHARE OF B.C. WINES IMPORTS IS COMPLETELY OUT OF PROPORTION WITH WHAT SHOULD BE POSSIBLE GIVEN THE LOW COST, HIGH QUALITY AND B.C. FAMILIARITY WITH CALIFORNIA WINES. IMPACT OF PROCUREMENT PREFERENCE SYSTEM NOTED IN PARA

ONE ABOVE IS PROBABLY SLIGHT.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VANCOU 00596 02 OF 02 082333Z

5. NO DETAILED FIGURES ARE PUBLICLY AVAILABLE FOR PROVINCIAL
GOVERNMENT AND CROWN CORPORATION PURCHASES OF SPECIFIC ITEMS IN
PRODUCT SECTORS LISTED IN REF A, PARA 2.
BUCHANAN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT PROCUREMENT, LAW, PROVINCE
Control Number: n/a
Copy: SINGLE
Draft Date: 08 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978VANCOU00596
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780195-0443
Format: TEL
From: VANCOUVER
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780581/aaaacrbe.tel
Line Count: 182
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 52a82aa2-c288-dd11-92da-001cc4696bcc
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 102061, 78 VANCOUVER 562, 77 VANCOUVER 588, 77 VANCOUVER 597
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2757409
Secure: OPEN
Status: NATIVE
Subject: MTN-- PROPOSED GOVERNMENT PROCUREMENT CODE
TAGS: ETRD, CA
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/52a82aa2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014